

**MINUTES**  
**VIRGINIA OFFSHORE WIND DEVELOPMENT AUTHORITY**  
**TWIN HICKORY AREA LIBRARY – LARGE CONFERENCE ROOM**  
**GLEN ALLEN, VIRGINIA**

**WEDNESDAY, FEBRUARY 15, 2012**  
**10:00 A.M.**

**CALL TO ORDER**

Chair Art Moyer called the meeting to order.

**Members Present:** Art Moyer, Joan Bondareff, Mary Doswell, Brian Redmond, Ron Ritter, and Bob Matthias

**Members Absent:** Lisa Johnson, John Jester

**Staff:** Conrad Spangler, DMME Director; Cathie France, DMME Deputy Director for Energy Policy; Al Christopher, DMME Division of Energy Director; Ken Jurman, DMME Renewable Energy Manager; Kerri Nicholas, Assistant Attorney General; George Hagerman, Virginia Tech Advanced Research Institute; Jonathan Miles, Virginia Center for Wind Energy at JMU

**Guests:** Bureau of Ocean Energy Management (BOEM), Office of Renewable Energy Programs: Erin Trager, Virginia Project Coordinator; Algene Byrum, Virginia Environmental Review Lead; Jennifer Golladay, Renewable Energy Program Specialist; Casey Reeves, Renewable Energy Program Specialist

**APPROVAL OF MINUTES**

The Chair called for a motion to approve the January 10, 2012, minutes as presented. The minutes were unanimously approved.

**BOEM PRESENTATION ON VIRGINIA RESEARCH LEASE APPLICATION, CALL AND NEXT STEPS**

**Presenter: Erin Trager**

Erin Trager presented an overview on the status and next steps for BOEM wind leasing on the OCS offshore Virginia.

- DMME submitted an unsolicited research lease application in September 2011 which proposed 2 met towers within the Call Area and up to 6 test turbines to the west of the Call Area. The legal and financial qualifications are complete

and the technical qualifications review is underway and should be completed soon. BOEM will next review responses to the Virginia Call.

- BOEM received an unsolicited application from Atlantic Grid Holdings LLC for a right-of-way (ROW) grant from New York to Virginia. The comment period for the request for competitive interest (RFCI) in the area of the Atlantic Wind Connection proposal will close February 21, 2012.
- The final Mid-Atlantic environmental assessment was published on February 3, 2012. The analysis identified no significant environmental and socioeconomic impacts from issuing wind energy leases in the mid-Atlantic Wind Energy Area (WEA).
- Virginia's Call, which initiates the leasing process for the WEA and will help BOEM in determining competitive interest, was published in the Federal Register on February 3, 2012. The WEA was refined to better accommodate vessel traffic to the west of the Call area and includes 19 whole OCS blocks and 13 sub-blocks. Once the Call comment period closes on March 19<sup>th</sup>, BOEM will assess responses and post a summary of the nominations on its website. If there is a competitive interest, the next step would be to finalize the auction format and develop the Proposed Sale Notice (PSN).
  - The Auction Format Information Request (AFIR) was published in the Federal Register on December 6, 2011. The comment period closed January 20<sup>th</sup>, and 38 comments were received.
  - The PSN will provide a 60-day comment period and include/describe the availability of the area available for leasing; the proposed and final lease provisions and conditions; auction details; lease form; criteria for evaluating competing bids; award and appeal procedures; and lease execution procedures.

At the next Virginia Task Force meeting, tentatively scheduled for late April, BOEM will provide updates on the Virginia Call responses and determination of competitive interests, the DMME research lease request, AFIR comments received, and Atlantic Wind Connection. Future discussions will include the auction format decision and draft Proposed Sale Notice. Secretary Salazar has expressed his desire in seeing the first auction take place in 2012.

## **DOMINION REPORT ON TRANSMISSION SOLUTIONS STUDY**

**Presenters: Mary Doswell and Guy Chapman, Dominion Director of Alternative Energy Solutions**

Mary and Guy updated the board on Dominion's progress on its offshore wind interconnection study. This study, which builds on the first transmission study completed in November 2010, is examining the development of and best route for a transmission trunk line to connect any offshore wind projects that could bring down developer project costs. The final report should be ready for release the end of March 2012.

## **DISCUSSION OF DRAFT VOWDA COMMENTS ON THE BOEM NOTICE OF PROPOSED GRANT AREA AND REQUEST FOR COMPETITIVE INTEREST (RFCI) IN THE AREA OF THE ATLANTIC WIND CONNECTION (AWC) PROPOSAL**

Al Christopher reported that the initial working draft of VOWDA comments on the AWC RFCI was prepared by VOWDA staff and edited to include comments received from some members for discussion at today's meeting. Discussion included: preserve option for AWC; framework that lowers costs and keeps with timeframe for Virginia WEA development; crossover cable costs; transmission infrastructure costs; abandonment costs, etc.

Eli Farrah, Atlantic Wind Connection Project Counsel, distributed a copy of a February 15, 2012, letter to VOWDA from AWC CEO Robert Mitchell, which requested VOWDA support for the AWC's proposed cable network for the mid-Atlantic region. Mr. Farrah addressed the board concerning VOWDA's proposed comments to BOEM. He gave a brief review of the AWC project. His comments included that an AWC ROW is not exclusive and would not prevent anyone else from building a second transmission line as long as it didn't unreasonably impact the first line; standard agreements would be used for cable crossings with no costs; that the AWS system is designed to be flexible to respond to needs of the offshore industry; and that the schedule could be modified to meet Virginia demands. He suggested that all involved parties should work together cooperatively to develop transmission solutions that will facilitate an offshore wind industry in Virginia in a timely manner.

Members agreed that their comments should reflect the need to encourage and keep options open in Virginia for all transmission connections and that the interconnection cable should provide for the lowest cost of delivered power to Virginia residents and accelerate, not delay, the development of wind farms in the Virginia WEA. Cathie France edited the letter based on discussions and presented the final draft for the Board's review and approval. The members voted unanimously to approve the comment letter as revised for submittal to BOEM by the February 20, 2012, deadline.

## **UPDATE ON JMU CONTRACT "SCIENCE" DELIVERABLES**

**Presenters: Jonathan Miles (JMU), Tom McNeilan (Fugro Atlantic); Rick Timmons (Timmons Group), Jay Titlow (WeatherFlow)**

Jon Miles, along with other project team members, presented an interim report on offshore wind advanced technology demonstration site development. Status updates included: web development and data management; geosciences desktop study; interconnection, permitting preparation, and regulatory overview; meteorological overview and WRAMS modeling; analysis of historical data sets, micro-meteorological wind modeling, and tower deployment; and outreach and engagement. A copy of the presentation is available.

## **ANTICIPATED DOE FUNDING OPPORTUNITY FOR ADVANCED DEMONSTRATION PROJECTS**

**Presenter: George Hagerman**

DOE is seeking partnerships for advanced technology demonstration projects that verify innovative designs and technology developments and validate performance and cost under real operating and market conditions within two Topic Areas:

- (1) Accelerating Pilot Deployment – one pilot project (20MW to 30 MW); 50% DOE cost share (\$40 - \$60 million); applicants to present a credible timeline leading to commissioning by the end of CY 2014.
- (2) Innovating Commercial Viability – multiple projects, divided into two budget periods, that will focus more on bringing technological innovation to market; commissioning expected to occur between 2015 and 2017.

The final Funding Opportunity Announcement (FOA) will tentatively be issued February 29<sup>th</sup>, with applications due by May 31<sup>st</sup>. A summary of DOE's funding FOA, along with a chart of the Offshore Wind Cost Reduction Cascade were provided.

## **UPDATE ON VOW JANUARY 12 MEETING**

**Presenter: Ron Ritter**

Ron reported that VOW is a very active, involved organization with a strong community structure and lobbyists in Richmond. There was detailed discussion at the VOW meeting on how to use the proposed offshore wind funding. The consensus was that due to the timeline the money would be better spent on data collection rather than refurbishing the CLT. He recommended that VOW make a presentation to VOWDA at a future meeting.

VOW will have booths at several upcoming offshore wind energy events. A 20' x 30' area has been reserved for Virginia at the AWEA October 8-10, 2012, conference in Virginia Beach; both VEDP and VOW will have booths. VOW invited VOWDA members to attend and help promote Virginia. Cathie and Art will look at ways VOWDA can participate and send information to members. Jerry Giles of VEDP appointed Sally McNeilan of VOW as Virginia's point of contact with the AWEA. There was discussion about putting together a presentation package for Virginia.

## **2012 VOWDA WORK PLAN REVIEW AND UPDATE**

Members received a copy of the final Work Plan that Cathie France revised as per discussions at the January 10<sup>th</sup> meeting. Due to time constraints, the plan wasn't reviewed. If members have any comments or changes, they can notify Cathie and she will update the plan.

## **LEGISLATION UPDATE**

Cathie France reported that legislation was introduced as part of the government reform package to reduce membership on boards. House Bill 490 includes language to change VOWDA membership from 11 to 9 nonlegislative citizen members and one ex officio member nominated by the Secretary of the Navy.

Regarding the Governor's proposed funding for offshore wind research and development, Cathie and a VOW representative met with several members of the legislature. They also met with House Appropriations and Senate Finance staff and presented a broad overview of how the Commonwealth is contributing towards offshore wind development -- what VOWDA is doing, VCERC's work, the Virginia Call, etc. Bob Matthias reported that the \$1 million budget amendment for additional funding was withdrawn.

## **NEXT MEETING DATE**

The next meeting is scheduled for April 19, at 10 a.m., location to be announced.

## **PUBLIC COMMENTS**

Eileen Levandoski, Sierra Club: Glen Besa, Sierra Club Virginia Chapter Director, sent a letter to VOWDA opposing the Board's proposed AWC ROW comments to BOEM and asking that VOWDA reconsider its letter. Copies of Mr. Besa's letter were distributed to members. Ms. Levandoski requested that VOWDA provide comment letters ahead of time so the public is given the opportunity to review and provide comments for the Boards' consideration.

Ken Hutcheson, Virginia Alternative and Renewable Energy Association (VA-AREA): Mr. Hutcheson expressed his concerns that the VOWDA comments to BOEM on the AWC ROW were drafted without making an effort to contact AWC and allow them an opportunity to weigh in.

## **ADJOURNMENT**

The meeting adjourned at 1:45 p.m.